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BEFORE THE ARIZONA CORPORATION CUMMISSION RECEIVED

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COMMISSIONERS

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Arizona Corporation Commission DOCKETED

FEB 23 2015

AZ CORP COMMISSION DOCKET CONTROL

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RICHARD GAYER,

v.

Complainant,

SOUTHWEST GAS CORPORATION.

Respondent.

(Dwight D. Nodes, Hearing Officer)

DOCKET NO. G-01551A-13-0327

Complainant's

OBJECTIONS TO SWGAS' "COMPLIANCE" OF FEB. 20, 2015 WITH ORDER NO. 74780 AND MOTION TO COMPLY & STRIKE FILING

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Complainant Gaver hereby objects to the February 20, 2015 filing by Southwest Gas Corporation (SWGas) docketed as "Compliance to a Decision", since it continues to fail to comply with essential provisions of Order 74780. Complainant also moves the Commission for a new order requiring SWGas to comply fully with Order 74780 and to Strike the foregoing filing as non-compliant.

OBJECTIONS

Failure 1: SWGas has deleted and continues to delete the Monthly Weather Adjustment and continues to substitute a confusing "EEP Weather Adjustment", in clear violation of the text of the Order in Decision No. 74780. The Decision expressly defines the "MWA" (Decision at page 3, line 3), repeats "MWA" numerous times, and specifically orders a line item for the "MWA charge" which does not permit changing its name. SWGas' improper use of "EEP" confuses the "MWA charge" with the "EEP charge". (Decision at page 7 line 27.)

In December 2014, Complainant received a bill from SWGas that lacked a "Monthly Weather Adjustment" but added an "EEP Weather Adjustment", in clear violation of the above

Complainant's OBJECTIONS TO SWGAS' FEB 2015 "COMPLIANCE" WITH ORDER - 1

Order. The essence of the MWA is its "Monthly" characteristic; the explanation on the back of the bill is a masterpiece of confusion and obfuscation (re: "updates"). The MWA with that name (or "EEP Monthly Weather Adjustment") must appear on the front of the bills to avoid customer confusion. Customers' bills *continue to lack* a *Monthly* Weather Adjustment.

<u>Failure 2</u>: There is *still* no definition of the actual months to which the MWA applies; that is, there is no statement that the applicable monthly bills are those that *cover* the "winter months", not necessarily those dated from November through April. (SWGas appears to indicate the "covered" month by the right-most bar in the graphical display of past usage.)

<u>Failure 3</u>: There is *still* no direction to the sources of the actual Heating Degree Days (HDDs) used by SWGas. According to SWGas, the sources are GHCND:USW00023160 for Tucson and GHCND:USW00023183 for Phoenix. SWGas' filing provides a telephone number, but it should provide the foregoing information on its website. The number provided is just the main number for customer inquiries; there is no option for the EEP or weather adjustment. There is space on Attachment 6 for the foregoing "source" information.

Failure 4: There is *still* insufficient and confusing information about the data points to use for the regression analysis. According to the information provided by SWGas to Complainant, the data points are taken from the last *eight* bills that *cover* December, January, February and March (not necessarily the dates of the bills) starting with the most *recent* bill, and that the actual HDD data are for those same eight months. SWGas now indicates that *ten* months are used, adding April, and that the data are from the "*previous* 24 months" [emp. added]. In addition, it is not stated whether the entries under "Month" are the dates *on* the bills or the periods *covered* by the bills.

<u>Failure 5</u>: Regarding the total therms used in performing the regression analysis, there is *still* no clear statement that the "base usage" is *not* subtracted from that total (as it is clearly shown for the calculation using the Billing Cycle Analysis).

OTHER PROBLEMS

- 1. There is no direction to the link for customers. There is nothing at all on SWGas' home page (www.swgas.com) or the "Residential" tab that leads to information about the EEP Weather Adjustment; SWGas should use available or added space there to so provide. Space is now available in the right hand column under the Residential tab.
- 2. SWGas claims that the "costs of natural gas constitutes the largest portion of your natural gas bill", but that is not true. For at least the last several years, the delivery charge, now at about 70 cents per therm, is much greater than the cost of gas charge, recently increased from about 45 cents per therm to about 55 cents per therm. (The compromise bills do not separate these two charges but combine them in the "Usage" charge; only a fully itemized bill shows them as line items.)
- 3. SWGas states that the "EEP Weather Adjustment" (should be the "EEP *Monthly* Weather Adjustment") provides stability for and minimizes the volatility of customers' bills, but that depends on the weather. For the last two years, warm weather has only increased the bills. The only actual stability is provided by SWGas' long standing Equal Payment Plan.
 - 4. SWGas claims "more transparency", but significant confusion still remains.

MOTION

Complainant's Objections should cause the Commission to issue a new order. That is, SWGas should be specifically ordered [again] to comply with all provisions of Order 74780, especially those set forth above that deal with its *bills* and its *Tariff*.

Therefore, SWGas' recent filing should be stricken immediately as non-compliant (except for most of Attachments 5 and 6).

Dated: 23 February 2015

Respectfully submitted by,

RICHARD GAYER, Complainant

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526 West Wilshire Drive Phoenix, AZ 85003

602-229-8954 (rgayer@cox.net)

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL

On <u>23</u> February 2015, I served a copy of this document via electronic mail on Respondent's attorney, Jason Wilcock, addressed to <u>jason.wilcock@swgas.com</u>.

On 23 February 2015, I served a copy of this document via electronic mail on Robert Gray of the Commission's Staff, addressed to BGray@azcc.gov.

On <u>23</u> February 2015, I served copies of this document via electronic mail on all five Commissioners addressed to <u>Forese-web@azcc.gov</u>, <u>Little-web@azcc.gov</u>, <u>BitterSmith-web@azcc.gov</u>, <u>Stump-web@azcc.gov</u> and <u>RBurns-web@azcc.gov</u>.

On 23 February 2015, I served a copy of this document via electronic mail on Steven Olea, Director of the Utilities Division, addressed to solea@azcc.gov.

I certify under penalty of perjury under the laws of the State of Arizona that the foregoing is true and correct.

Executed on <u>23</u> February 2015 at Phoenix, Arizona

RICHARD GAYER, Complainant